

CALIFORNIA DEPARTMENT OF INSURANCE  
LEGAL DIVISION  
Compliance Bureau - Sacramento  
Christopher A. Citko, Bar No. 166388  
300 Capitol Mall, 17th Floor  
Sacramento, CA 95814  
Telephone: 916-492-3187  
Facsimile: 916-324-1883

Attorneys for Harry W. Low,  
Insurance Commissioner

**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF CALIFORNIA**

In the Matter of the Licenses and Licensing  
Rights of

JOHN SIK LEE,

Respondent.

File No. LA 15462 and LA 50996

ORDER OF SUSPENSION FROM OFFICE  
OR EMPLOYMENT WITH PRODUCTION  
AGENCY AND PROHIBITION FROM  
CONDUCT IN THE BUSINESS OF AN  
INSURER OR PRODUCTION AGENCY  
(Insurance Code Section 1748.5)

To: JOHN SIK LEE

WHEREAS, Respondent, JOHN SIK LEE, is now and since April 30, 1996, has been licensed by the Insurance Commissioner of the State of California to act as a Life Agent, license number 0B79507; and

WHEREAS, Respondent, is now and since October 6, 1997, has been licensed by the Insurance Commissioner of the State of California to act as a Fire and Casualty Broker-Agent, license number 0B79507; and

WHEREAS, on or about July 25, 2002, before the Superior Court of the State of California for the County of Los Angeles, in the case of The People of the State of California versus John Sik Lee (10/27/98) aka Sik Lee Chung, Felony Complaint No. GA050338, Respondent was charged with one count of grand theft, California Penal Code Section 487(a), a felony; and,

1 WHEREAS, based upon the above paragraph, Respondent has been charged in a felony  
2 complaint issued by a district attorney, with a crime punishable by imprisonment for a term  
3 exceeding one year, which involves as one of its necessary elements a fraudulent act or an act of  
4 dishonesty in the acceptance, custody, or payment of money or property; and,

5 WHEREAS, the facts underlying the criminal complaint against Respondent demonstrate,  
6 *inter alia*, that while acting as an insurance production agent Respondent received and failed to  
7 remit premium to insurers, received and failed to return unearned premium to insureds, failed to  
8 place insurance policies or coverage on behalf of insureds, and converted said funds to his own  
9 use; and,

10 WHEREAS, the facts alleged above demonstrate that failure to immediately issue this  
11 Order may cause direct financial or other injury to a policyholder or other person.

12  
13 NOW THEREFORE:

14 RESPONDENT, JOHN SIK LEE, IS HEREBY ORDERED, PURSUANT TO  
15 CALIFORNIA INSURANCE CODE SECTION 1748.5(e)(1), SUSPENDED FROM HIS  
16 OFFICE OR EMPLOYMENT WITH A PRODUCTION AGENCY OR PARTICIPATING IN  
17 ANY MANNER IN THE BUSINESS OF AN INSURER OR AN INSURANCE PRODUCTION  
18 AGENCY, EXCEPT WITH PRIOR CONSENT OF THE INSURANCE COMMISSIONER

19  
20 RESPONDENT IS FURTHER NOTIFIED that a violation of this Order may result in  
21 civil penalties of up to one thousand dollars (\$1,000.00) per day for each day that the violation  
22 continues, pursuant to California Insurance Code Section 1748.5(h)(2).

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24 THIS ORDER IS EFFECTIVE IMMEDIATELY.

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal, this  
12<sup>th</sup> day of August, 2002.

By: /s/  
ERIKA E. LORENZ  
Assistant Chief Counsel